



**COLORADO**

Department of Agriculture

# **January 9, 2020 SMART Act Hearing Packet**



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## TABLE OF CONTENTS

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SMART Act Presentation Slides .....	1
2017 Agriculture Census Data .....	2
Budget and Legislative Summary .....	3
2019 Regulatory Report .....	4
2020 Regulatory Agenda .....	5



**COLORADO**  
Department of Agriculture

**SMART Act Hearing January 9, 2020**  
Kate Greenberg, Commissioner of Agriculture



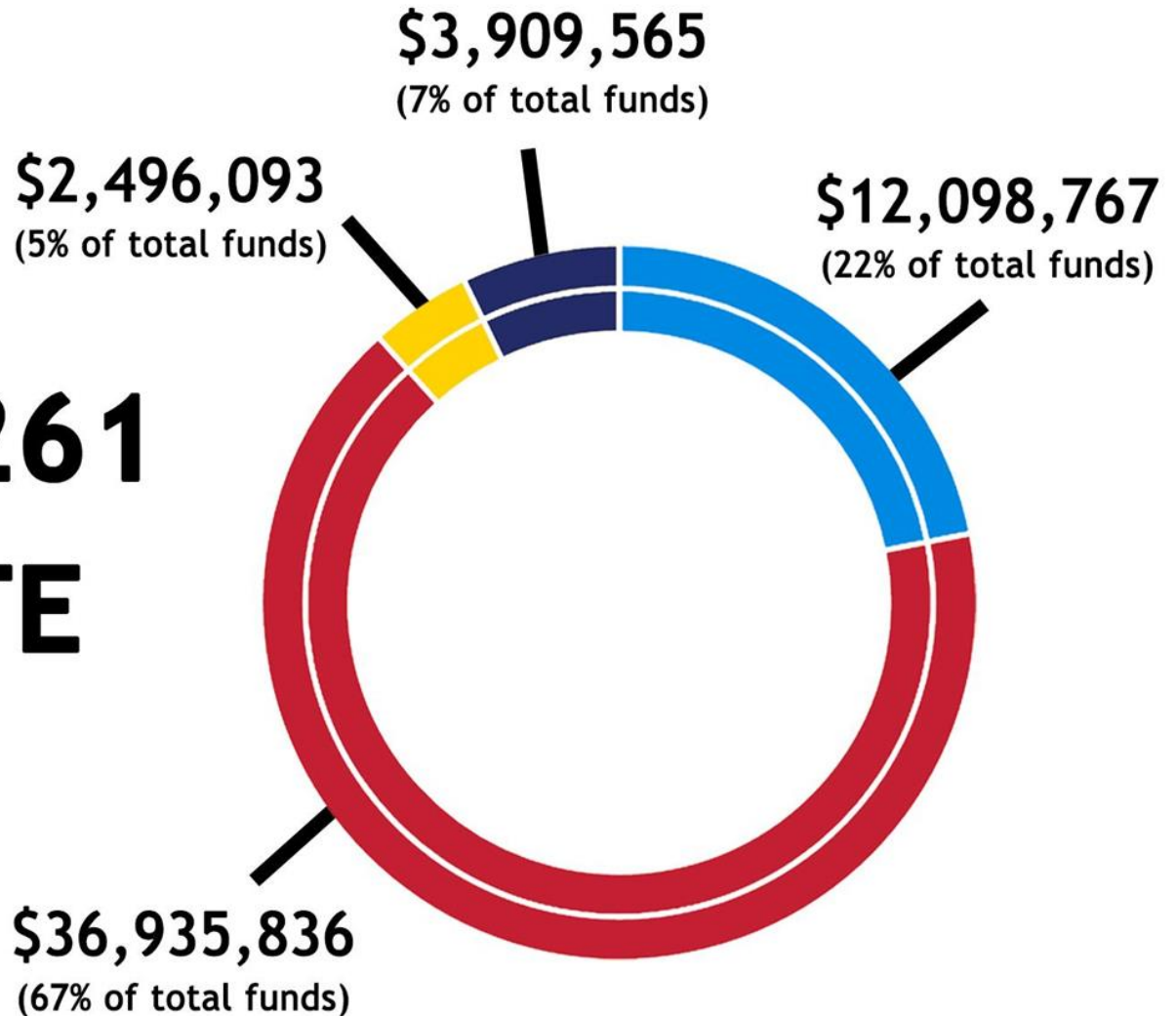


# About CDA



# Total Department FY 19-20 Budget Breakdown and FTE

**\$55,440,261**  
**297.6 FTE**



General Fund Cash Fund Reappropriated Funds Federal Funds

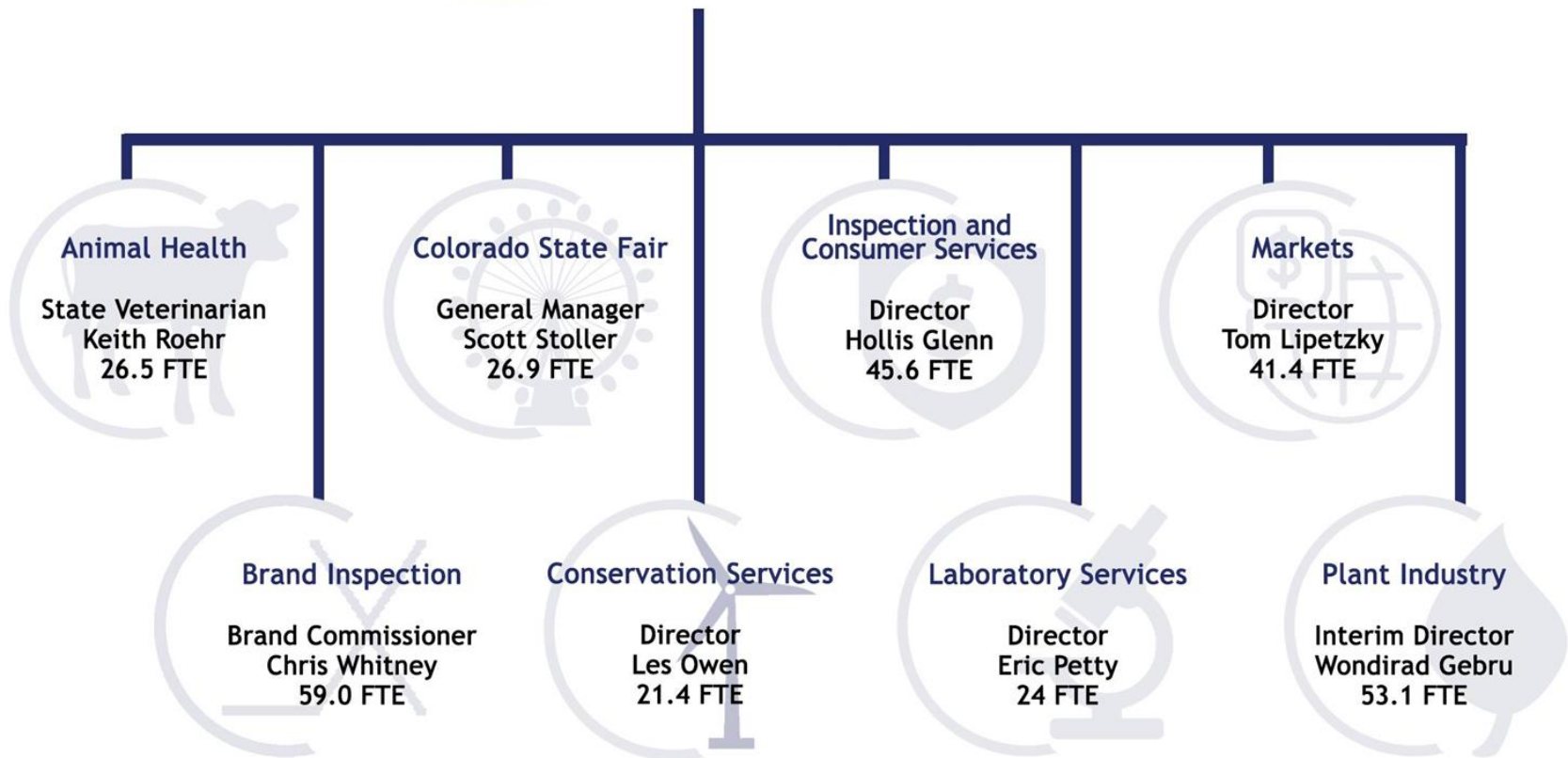




**Commissioner's Office**  
(Executive Director)

**Commissioner**  
**Kate Greenberg**

**18.7 FTE**



**20TH**  
**ANNIVERSARY**  
**OF COLORADO PROUD**



**HELD INAUGURAL**  
**FAMILY FARM**  
**TRANSITION SUMMIT**



**ADVANCED COLORADO'S RENEWABLE**  
**ENERGY AND EFFICIENCY PROGRAM**

**INSPECTED**  
**4.5 MILLION**  
**HEAD OF LIVESTOCK**



**OPENED LABS AT**  
**BROOMFIELD**  
**LOCATION**

**LAUNCHED SOIL**  
**HEALTH INITIATIVE**

**PALISADE INSECTARY**  
**SET A NEW RECORD**  
**FOR TOURS GIVEN**

**SUCCESSFULLY MANAGED**

**694** 

**EQUINE VESICULAR**  
**STOMATITIS QUARANTINES**



**INCREASED ATTENDANCE**  
**AND REVENUE AT THE**  
**COLORADO STATE FAIR**

**LAUNCHED THE COLORADO**  
**HEMP ADVANCEMENT &**  
**MANAGEMENT PLAN**



**COLORADO**  
Department of Agriculture



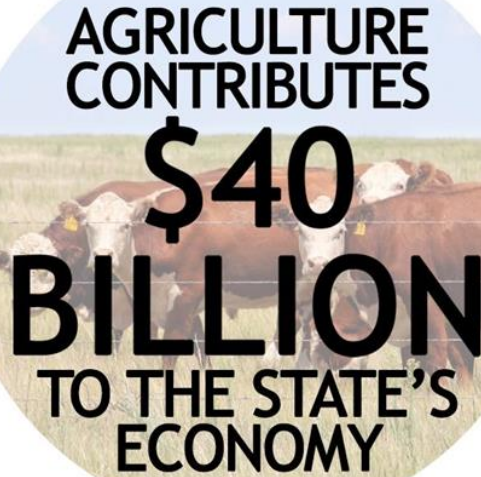
# Current State of Colorado's Food and Agriculture Industry







**AGRICULTURE  
PROVIDES  
173,000  
JOBS**



**AGRICULTURE  
CONTRIBUTES  
\$40  
BILLION  
TO THE STATE'S  
ECONOMY**



**38,900  
COLORADO  
FARMS**



**AVERAGE  
AGE OF A CO  
PRODUCER IS  
57.6  
YEARS**

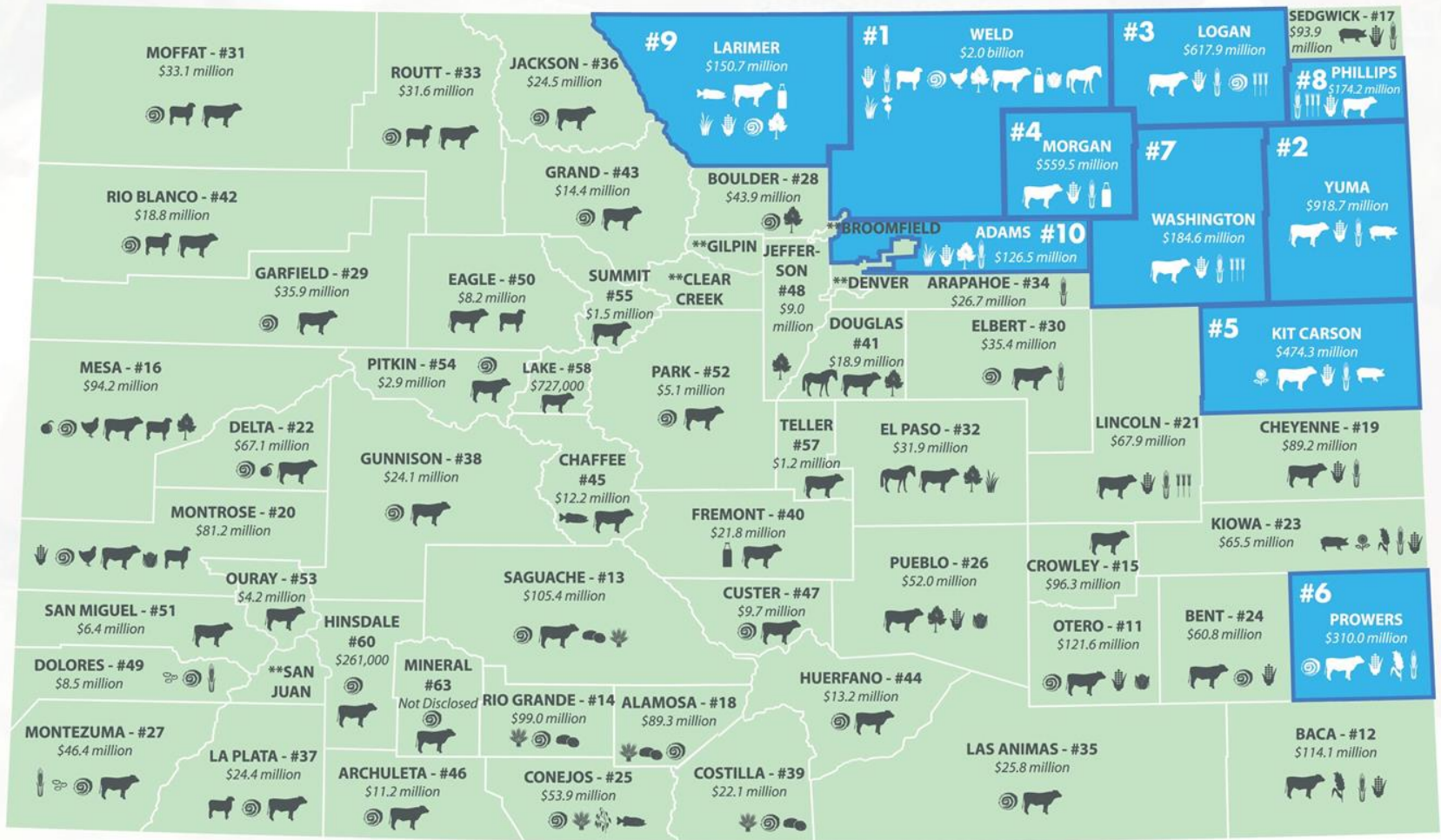


**49.1  
YEARS  
IS THE AVERAGE AGE  
OF A NEW AND  
BEGINNING  
PRODUCER**

# A GLIMPSE OF COLORADO AGRICULTURE



**COLORADO**  
Department of Agriculture



- Aquaculture
- Barley
- Cattle
- Corn
- Dairy
- Dry Beans
- Fruits
- Hay
- Hogs
- Horses
- Millet
- Nursery
- Oats
- Poultry & Eggs
- Potatoes
- Sheep
- Sod
- Sorghum
- Sugarbeets
- Sunflowers
- Vegetables
- Wheat

\*\*#56 DENVER Not Disclosed  
 #59 BROOMFIELD \$613,000  
 #61 GILPIN \$216,000  
 #62 CLEAR CREEK \$174,000  
 SAN JUAN Not Available

**BLUE AREAS**  
 are top ten agricultural  
 counties in Colorado.

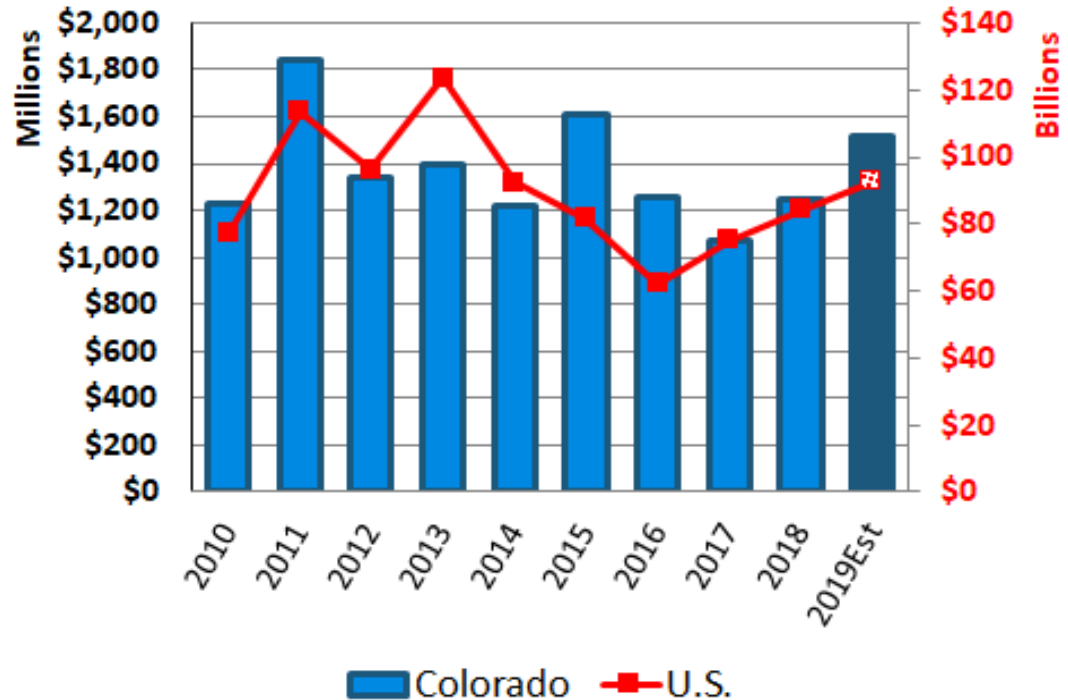


# Net farm income projections are rosy. For some.

2019 Colorado Net Farm Income \$1.5 billion.\*  
~20% of net income is from direct payments (\$300m)

MFP payments are less beneficial to Colorado than soybean-producing states.

Income imbalance continues to be a problem, especially for small producers



## Sectors Seeing Gains

Cattle, dairy, hogs, beans, sugar beets and potatoes

## Sectors Seeing Cont Weakness

Grains

\*Estimation from the CU Leeds School of Business Colorado Business Economic Outlook

Chart Source: USDA/ERS Farm Income and Wealth Statistics

# US Trade Policy Continues to Impact Ag

Despite recent positive developments uncertainty remains in Federal trade policy

## Highlights

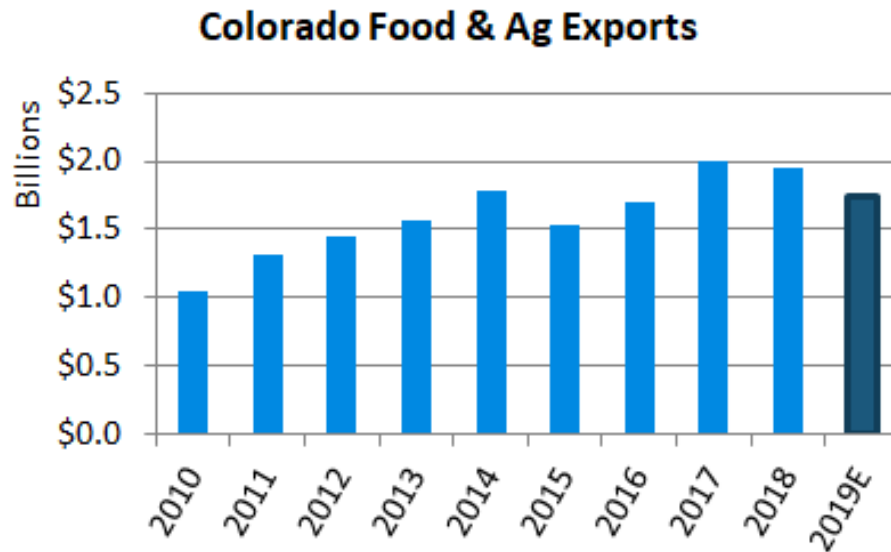
The USMCA agreement with Canada and Mexico

New agreements with China, Japan, Korea all look to be positive longer-term for agriculture

U.S.-MEXICO-  
CANADA TRADE  
AGREEMENT  
ANNOUNCED



# Uncertainty in US Trade Policy Lingers for CO ag



International trade accounts for approximately 10% of the total economic contribution from Colorado Agriculture (~\$1.75 billion direct impact or ~\$4.2 Billion total impact in 2019)

Exports of Colorado food and ag products trended lower in 2018 and 2019

All sectors of Colorado ag are impacted by trade policy

80% of Colorado's food and ag exports are impacted by trade disputes with Canada, Mexico, China, Japan, and Korea

Beef is Colorado's #1 exported food and ag product at about \$1 billion annually



# **Department WIGs and Performance Plan Progress Report**





**CDA FY 2018-  
2019  
Annual  
Performance  
Plan Report  
Review**

# FY 2018-19 Performance Plan Review

## Strategic Planning Initiative #1

### Enhance Coloradans' Understanding of Agriculture

#### Strategies

- 1) Communicating information about Colorado agriculture and Department programs to the public and media
- 2) Informing Coloradans about food and agricultural products grown, raised, or processed in Colorado
- 3) Showcasing Colorado agriculture to attendees of the annual Colorado State Fair

#### Successes

95% believe it's important to maintain land and water in agricultural production

68% indicate water for agricultural production should be a priority in a dry year

90% of respondents reported agriculture contributes to the quality of life in Colorado

83% believed the foods produced by Colorado farmers and ranchers are safe

# FY 2018-19 Performance Plan Review

## Strategic Planning Initiative #2

### Improve our Customer Service Experience

#### Strategies

- 1) Developing AgLicense to enable our customers to apply or renew and pay for their licenses, registrations, and inspections through an online application
- 2) Completing consolidation of staff and operations from five Denver metro locations into a single complex located in Broomfield
- 3) Conducting LEAN analyses to drive operational efficiencies

#### Successes

CDA's customer satisfaction rating, as measured by a survey of stakeholders, to always exceed 90%

A January 2018 survey reported 95% of stakeholders describing their experience with the Department as either excellent or good

This 95% satisfaction rating marked a significant increase over previously recorded benchmarks of 86% in January 2016 and 84% in February 2014



# FY 2018-19 Performance Plan Review

## Strategic Planning Initiative #3

### Increase Marketing, Sales Opportunities, and Profitability throughout Colorado's Food and Agriculture Value Chain

- 1) Connecting CO food and agricultural suppliers with international buyers
- 2) Promoting animal health throughout Colorado's livestock herd
- 3) Providing inspections, promotions, verifications, and other resources to help food and agricultural suppliers support marketing claims and enhance marketing opportunities

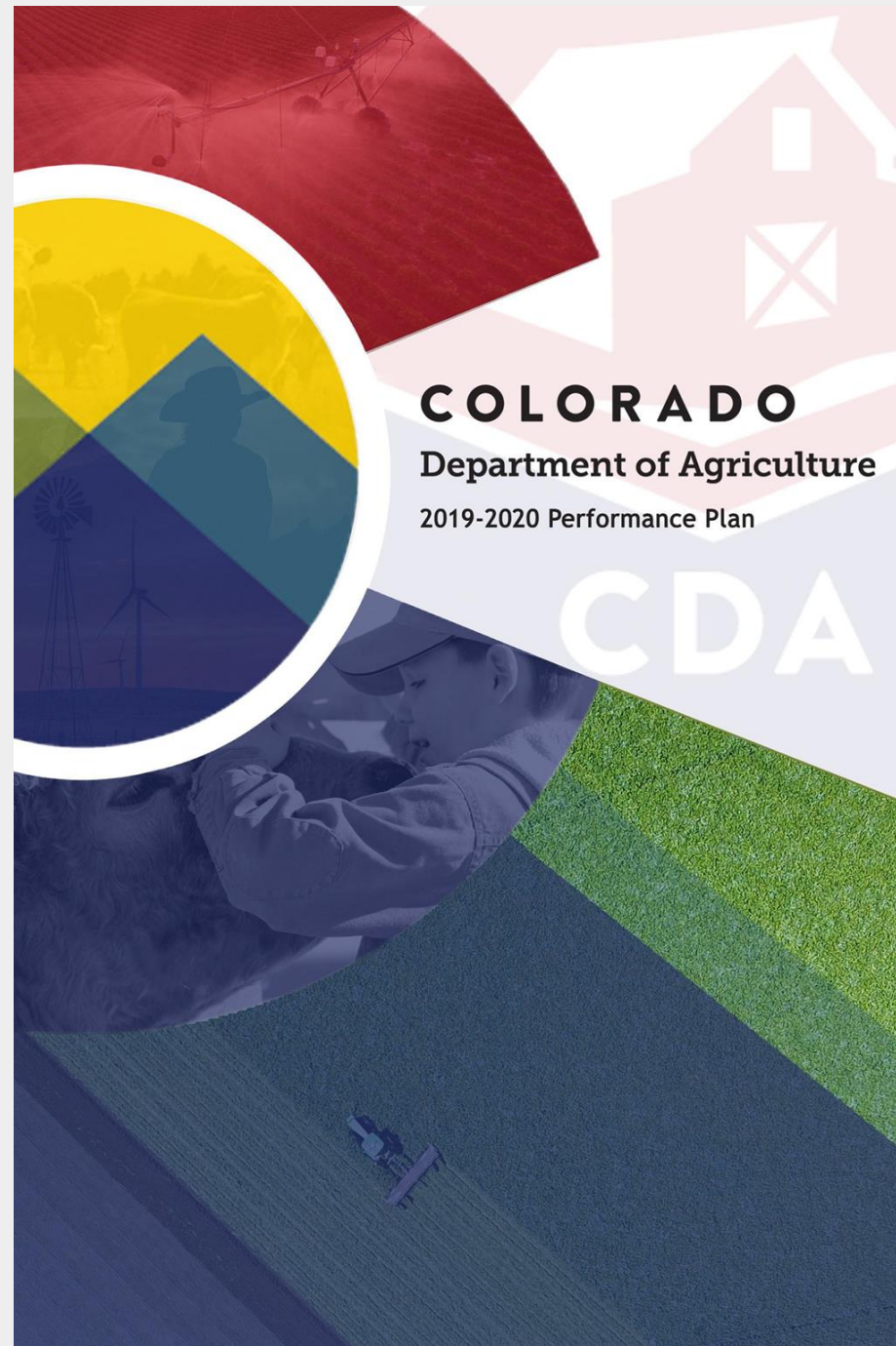
### Successes

Helped increase new marketing opportunities for Colorado's farmers, ranchers and food manufacturers.

Central to this was the Animal Health division's success in maintaining a "disease-free" status allowing Colorado livestock and products to move freely throughout U.S. and international markets.

Cash receipts to Colorado farmers and ranchers have outperformed the national benchmark in four of the past five years.

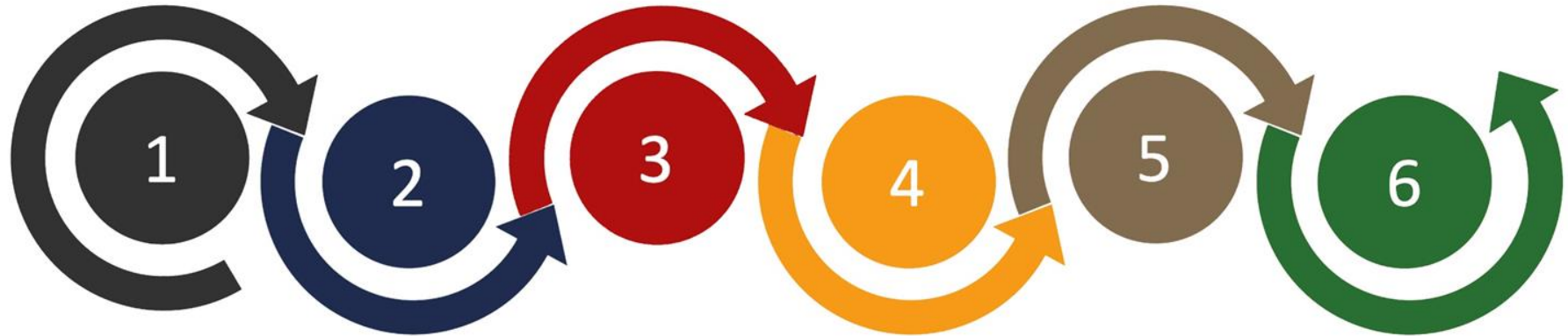
# CDA FY 2019- 2020 Performance Plan Update



DEFINE AREAS OF  
OPPORTUNITY IN THE  
DEPARTMENT

RECRUITED EMPLOYEES FROM  
ALL DIVISIONS TO FORM  
WIG TEAMS

NARROWED DOWN GOALS  
TO THOSE WE COULD AFFECT  
AND SUPPORTED OUR MISSION

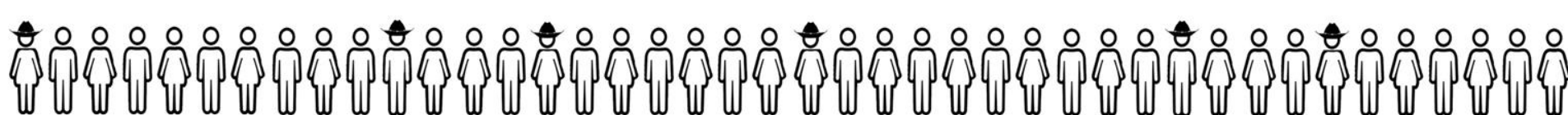


FORMULATED AN INCLUSIVE  
STRATEGY TO TAKE ADVANTAGE  
OF DIVERSE PERSPECTIVES

WIG TEAMS EXAMINED  
INTERNAL ISSUES AND  
PROPOSED GOALS

USED EXTERNAL STAKEHOLDERS  
TO VALIDATE THE PROPOSED  
GOALS

**MORE THAN 50+ STAFF, FARMERS AND RANCHERS PROVIDED INPUT**





# Strategic Overview



## Goal #1- Support the Next Generation of Farmers and Ranchers

### Outcome Measure:

Engage no fewer than 500 young, beginning, veteran, and socially- disadvantaged farmers and ranchers through outreach initiatives



## Goal #2- Scale-Up High-Value Ag and Diverse Market Opportunities

### Outcome Measure:

Devote 18 million square feet to indoor hemp production and 120,000 acres to outdoor hemp production AND increase the annual value of Colorado's organic crop production from \$134 million in sales to \$150 million and increase the number of Certified Organic Operations from 525 to 600



## Goal #3- Promote and Incentivize Soil, Water, and Climate Stewardship

### Outcome Measure:

Implement 24 new soil, water, and climate projects

# Goal #1 Support the next generation of farmers and ranchers

Increase engagement with young, beginning, veteran and underserved farmers and ranchers

Grow the Agricultural Workforce Development Program to expand paid agricultural internships in Colorado

Partner with organizations such as the National Young Farmers Coalition, FFA, AgrAbility, and USDA's SCORE Mentorship program

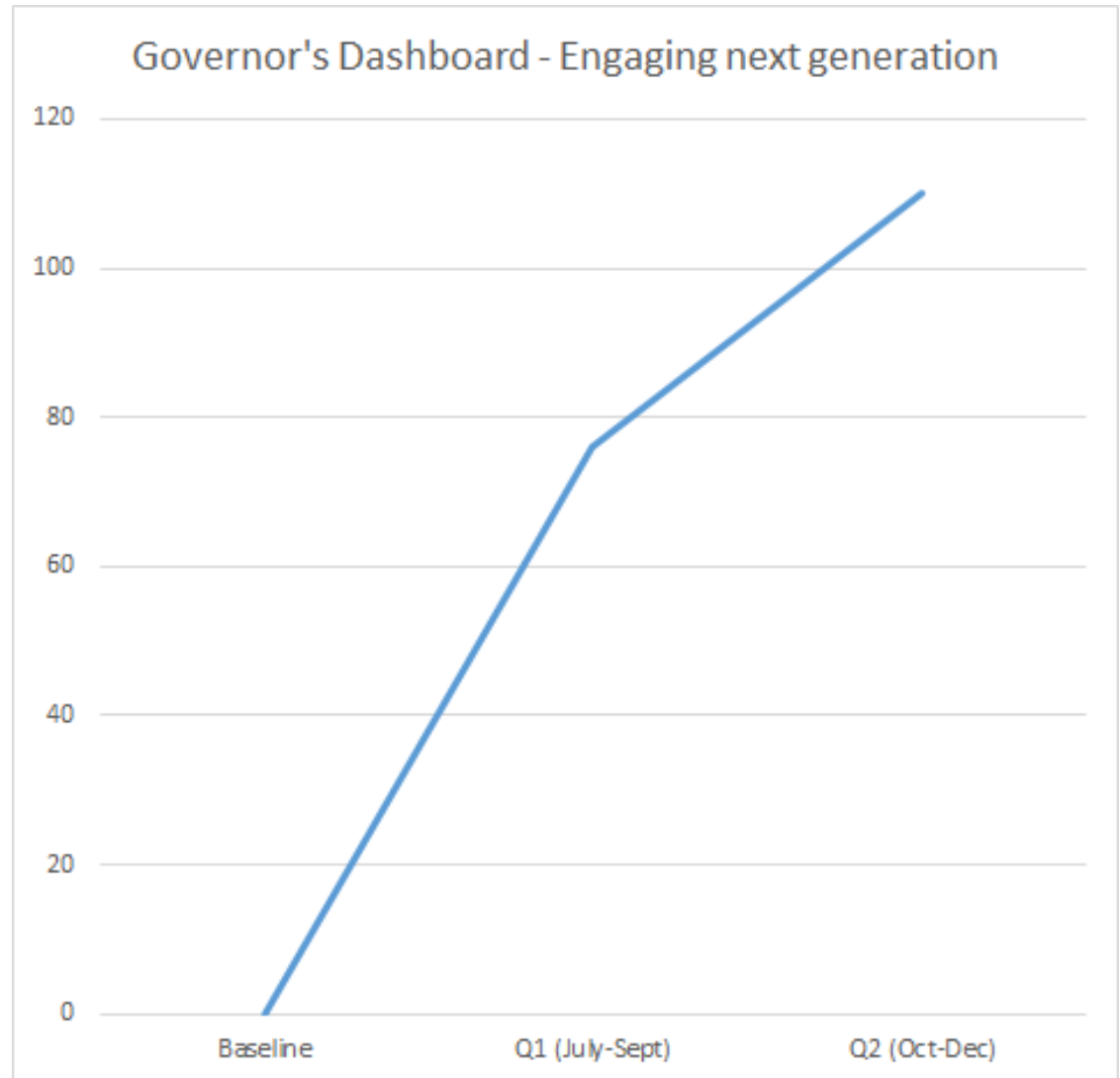
## THE BOLD FOUR



# Goal #1 Support the next generation of farmers and ranchers

Outcome Measure:

Engage no fewer than 500 young, beginning, veteran, and socially-disadvantaged farmers and ranchers through outreach initiatives





# Goal #2 Scale-Up High-Value Agriculture and Diverse Market Opportunities

Establish Colorado as a national leader in industrial hemp research, production, and processing

Promote excellence in stewardship by connecting hemp producers with CDA's conservation programs

Expand organic production in the state by increasing organic certification capacity, promoting best practices and enhancing marketing opportunities

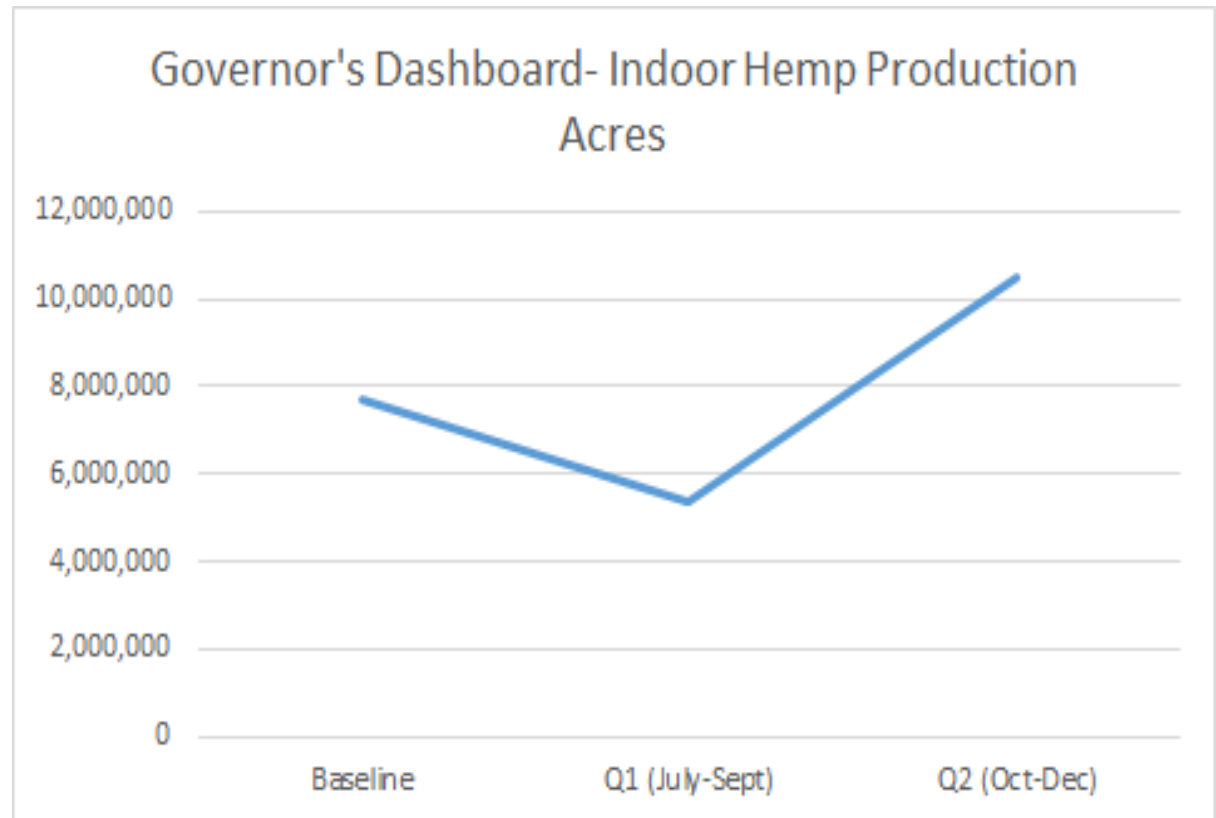
Support connections between existing Colorado restaurants and food services and Colorado producers

## THE BOLD FOUR



# Goal #2 Scale-Up High-Value Agriculture and Diverse Market Opportunities

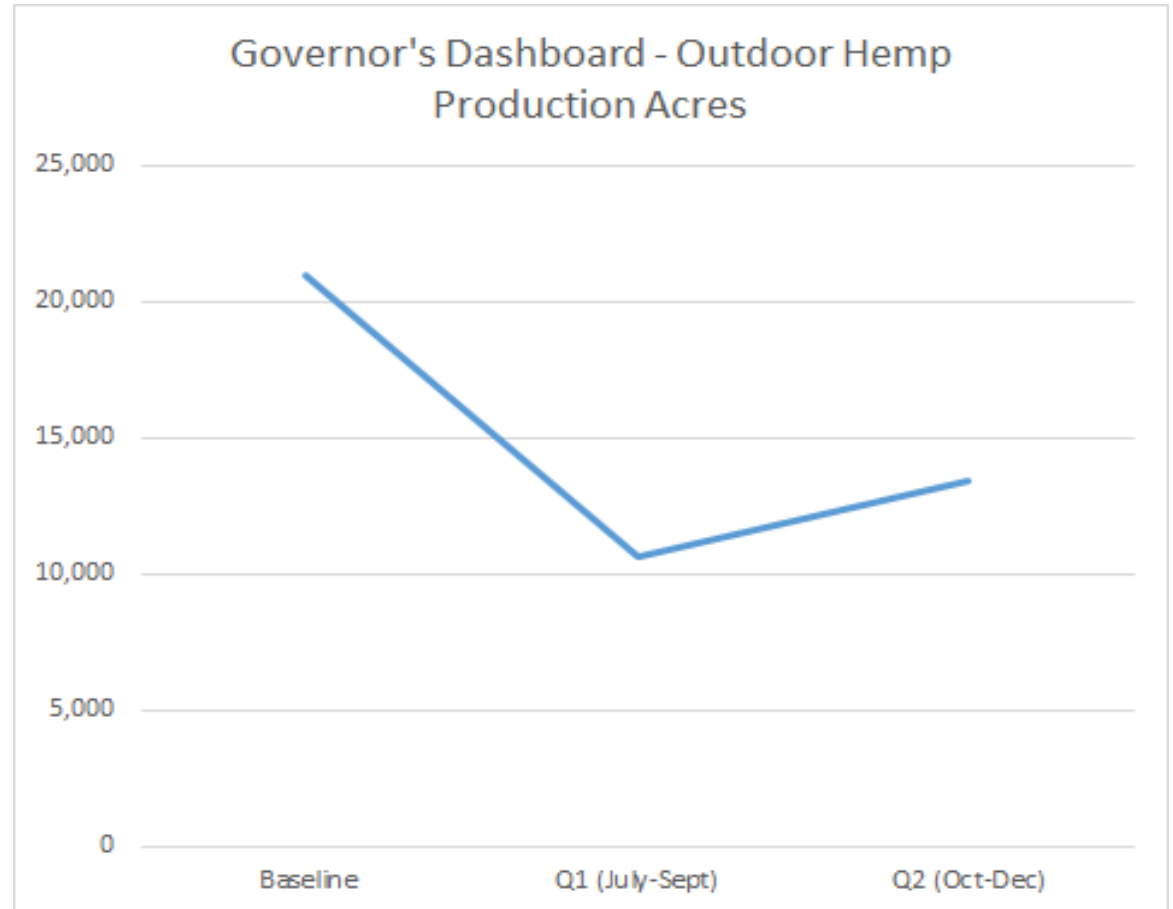
Outcome Measures  
Indoor square footage for hemp grown in Colorado during FY18-19 was 12.8 million. The goal is to devote 18 million square feet to indoor hemp production over FY19-20\*



\*Square footage measured by the calendar year (1/01/2019-12/31/2019) can be found on the Department of Agriculture website: [colorado.gov/ag](http://colorado.gov/ag)

# Goal #2 Scale-Up High-Value Agriculture and Diverse Market Opportunities

Outdoor acres for hemp grown in Colorado during FY18-19 was 82,000. The goal is to devote 120,000 acres to outdoor hemp production over FY19-20



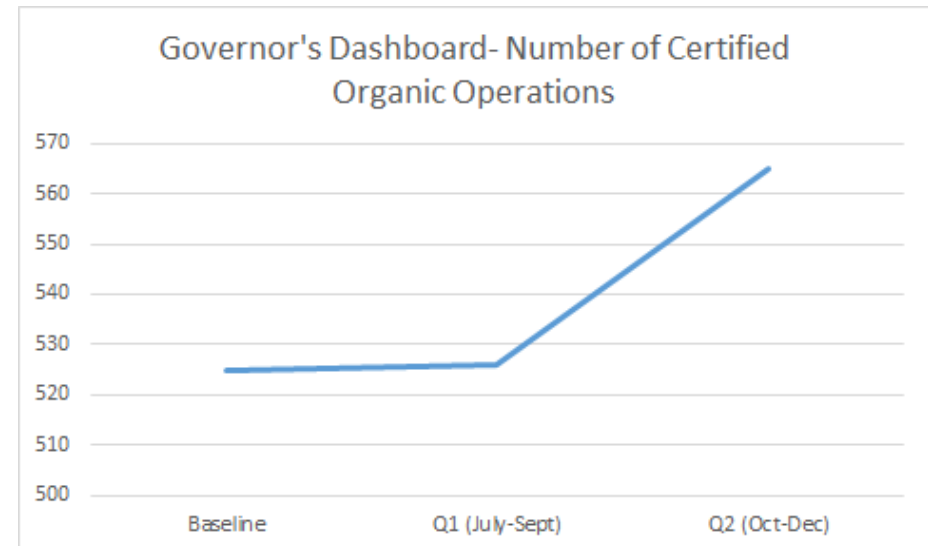
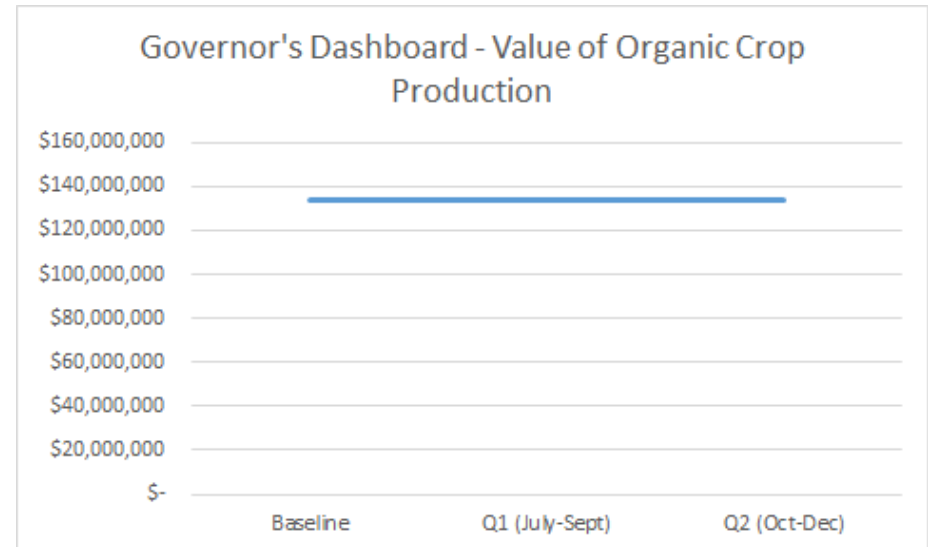


# Goal #2 Scale-Up High-Value Agriculture and Diverse Market Opportunities

## Outcome Measures

Increase the annual value of Colorado's organic crop production from \$134 million in sales to \$150 million

Increase the number of Certified Organic Operations from 525 to 600



# Goal #3- Promote and Incentivize Soil, Water, and Climate Stewardship

Create a voluntary Soil Health Program at CDA to encourage and assist farmers, ranchers, and landowners in farmer-led conservation that improves agricultural soil health in order to sequester carbon, conserve water, minimize erosion, and enhance agricultural productivity

Advance energy efficiency and renewable energy production through the ACRE<sup>3</sup> program

Collaborate with partners, such as the US Climate Alliance "Natural and Working Lands Work Group," to share best practices for farmer and rancher led conservation

Incorporate sustainability into agency programs

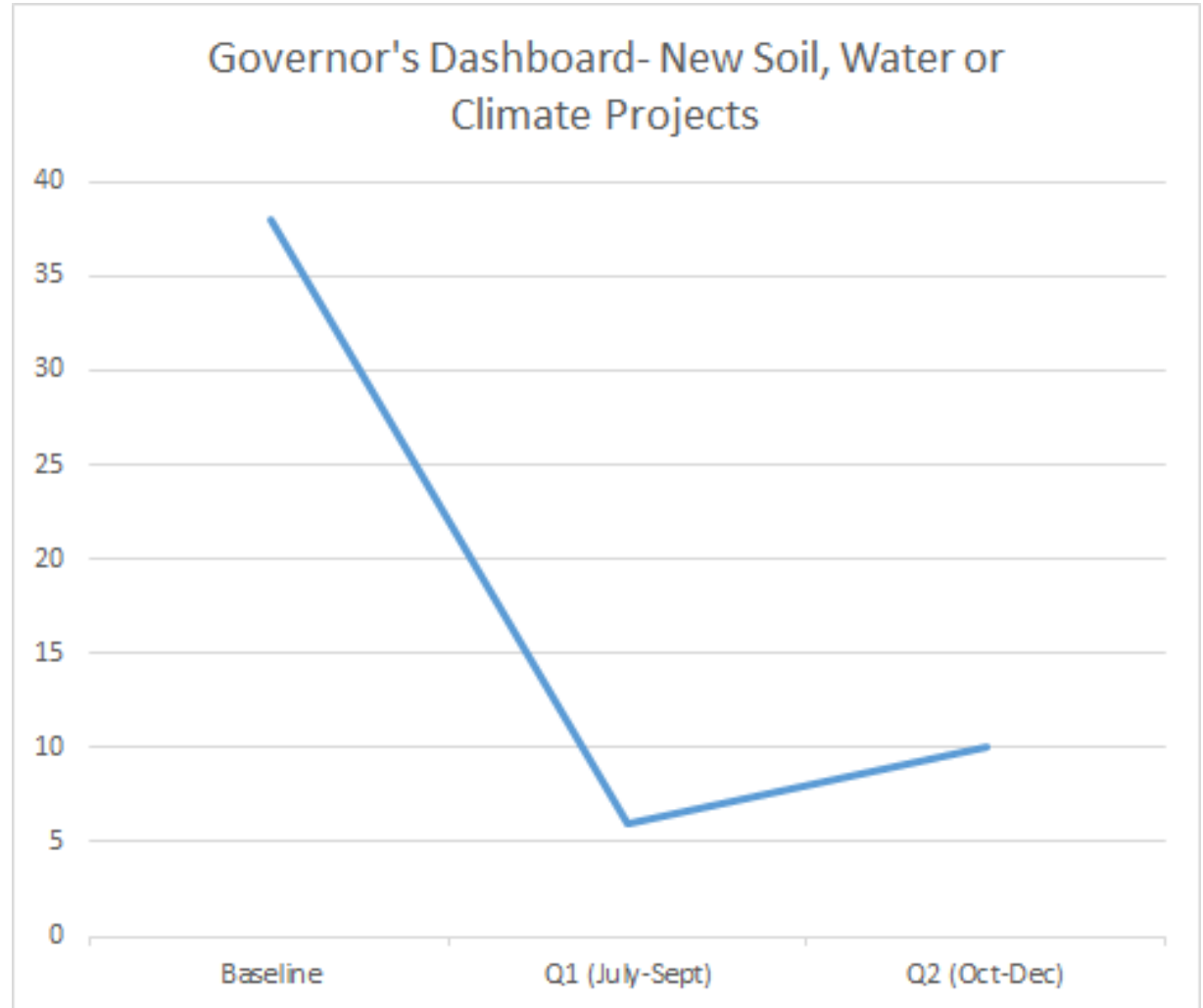
## THE BOLD FOUR



# Goal #3- Promote and Incentivize Soil, Water, and Climate Stewardship

Outcome Measure

Implement 24 new soil, water, and climate projects



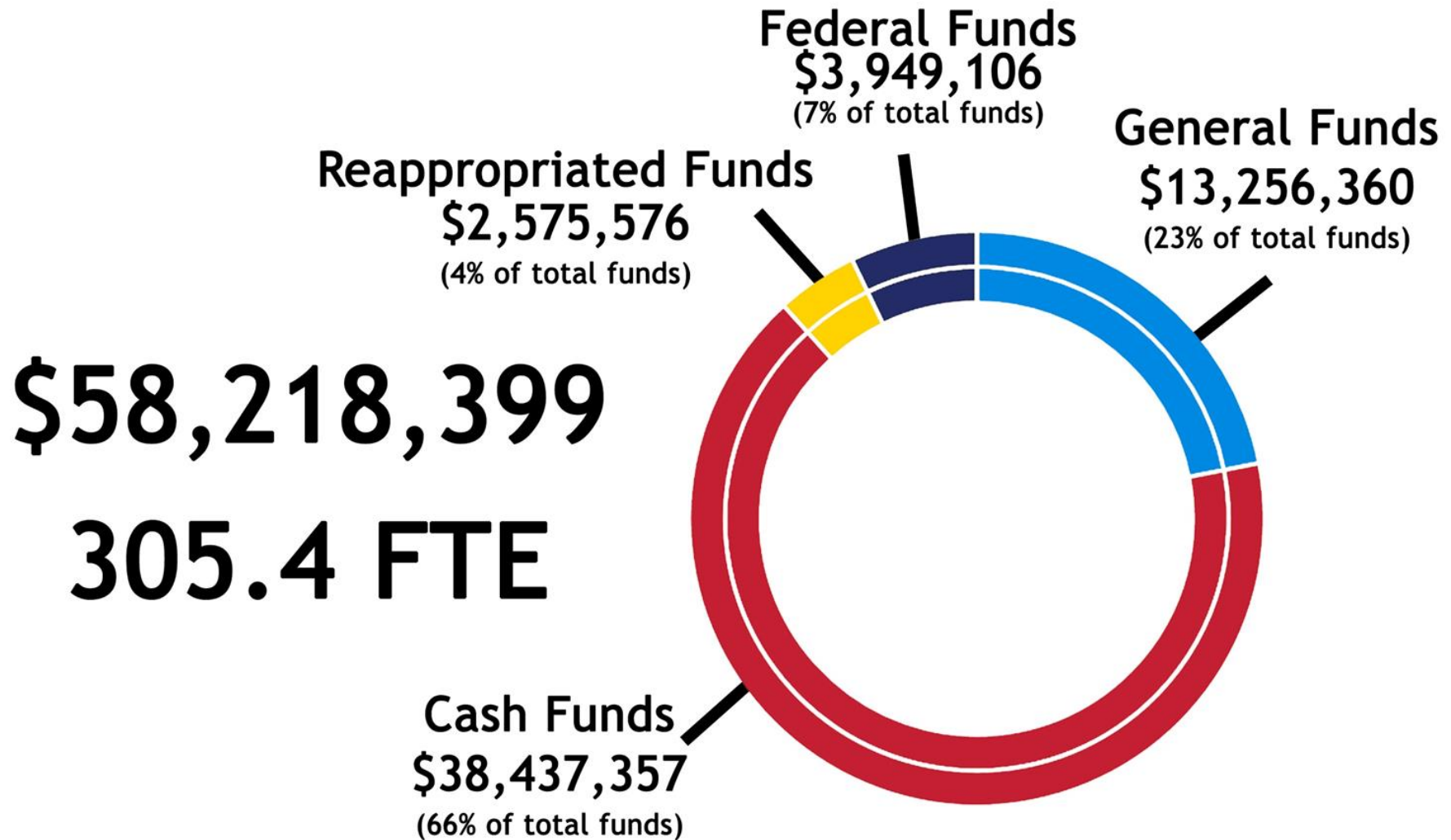




# FY 2020-21 Budget Requests

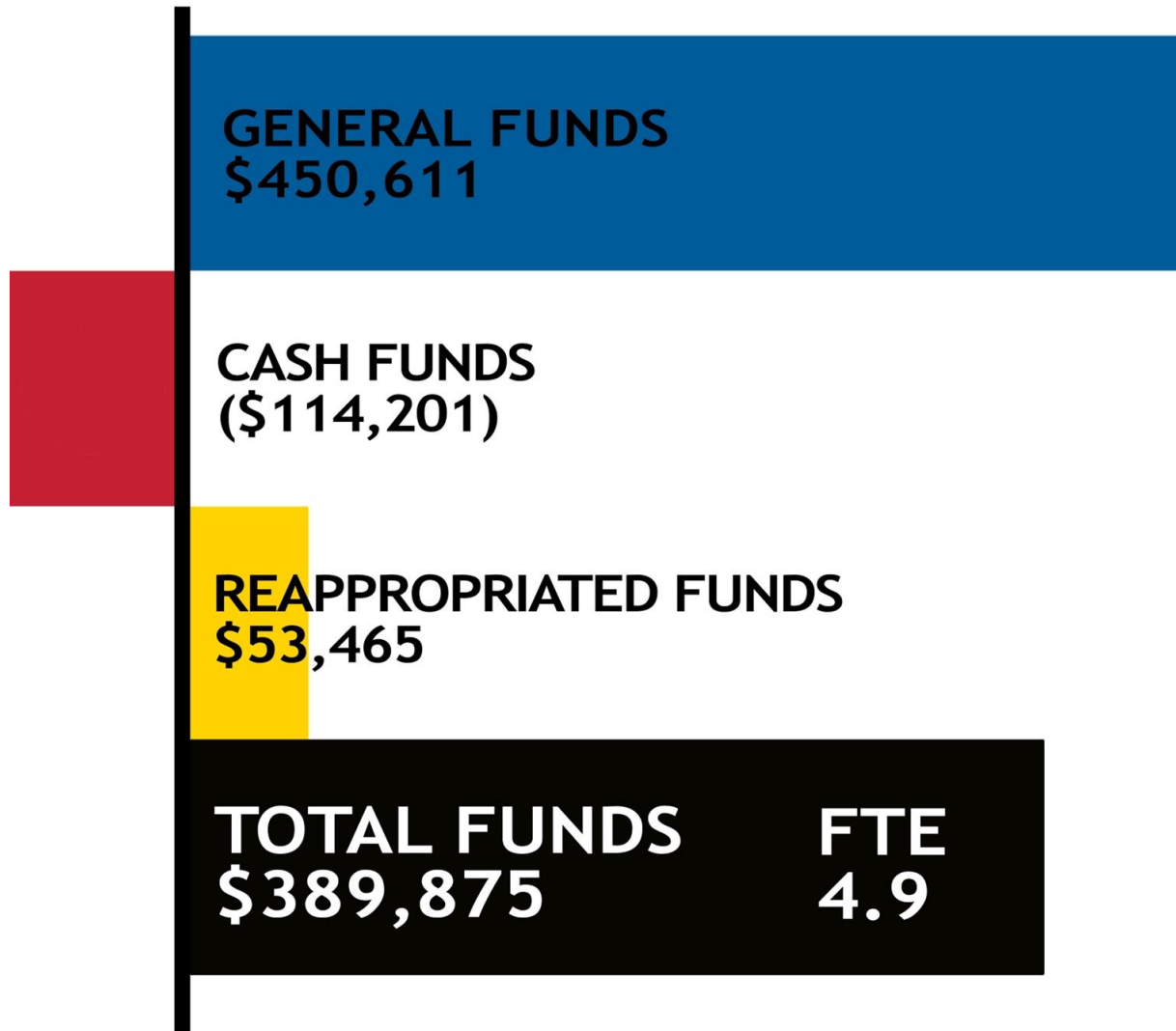


# Department FY 20-21 Requested Budget Breakdown and FTE



# Budget Request Summary

## FY 2020-21 Department Decision Items





# Budget Request Detail

## **R-1 Renewable Energy and Energy Efficiency (ACRE<sup>3</sup>)**

\$110,163 General Fund, 1 FTE

## **R-2 Organic Program Staff Expansion**

\$168,566 General Fund, 2 FTE

## **R-3 Colorado Soil Health Program Funding**

\$166,491 General Fund, 1 FTE

## **R-4 Sustainable Marijuana Certification**

\$94,655 Marijuana Tax Cash Fund, 1 FTE





# Budget Request Detail

## R-5 Pet Animal Care Facilities Licensing Requirements

\$94,691 General Fund, \$77,050 PACFA Cash Fund

1.0 FTE

## R-6 Lab Equipment Maintenance Agreement

\$48,000 Marijuana Tax Cash Fund

## R-7 Indirect Cost Recovery Adjustment

\$226,930 Various Cash Funds /Reappropriated

## R-8 Unused Spending Authority Adjustment

(\$382,528) Various Cash Funds/Reappropriated

## R-9 Implementing Budget Efficiencies

(\$214,143) General Fund and Various Cash Funds



# FY 2019-20 Supplemental Budget Amendment Requests

General Funds	
\$0	
Cash Funds	
\$296,050	
Reappropriated Funds	
\$2,325	
Total Funds	FTE
\$298,375	0.20

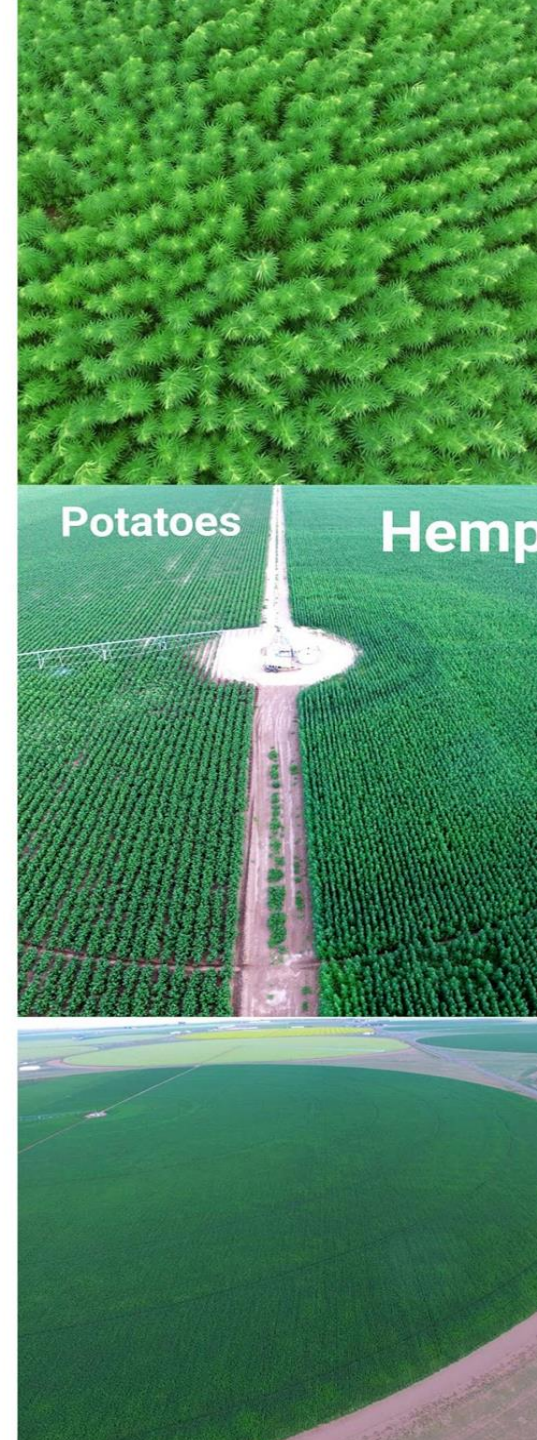
# FY 2019-20 Supplemental/ Budget Amendment Requests

## **S-1, BA-1 Industrial Hemp Compliance Funding**

\$261,249 Industrial Hemp Registration Program Cash Fund, \$2,325 Reappropriated Funds, 0.2 FTE

## **S-2, BA-2 Industrial Hemp Center of Excellence Funding**

\$34,801 Industrial Hemp Registration Program Cash Fund





# Legislative and Regulatory Agenda





# 2019 Rulemaking Activities

In 2019 the Department conducted 16 rulemaking hearings

## **4 rules were repealed.**

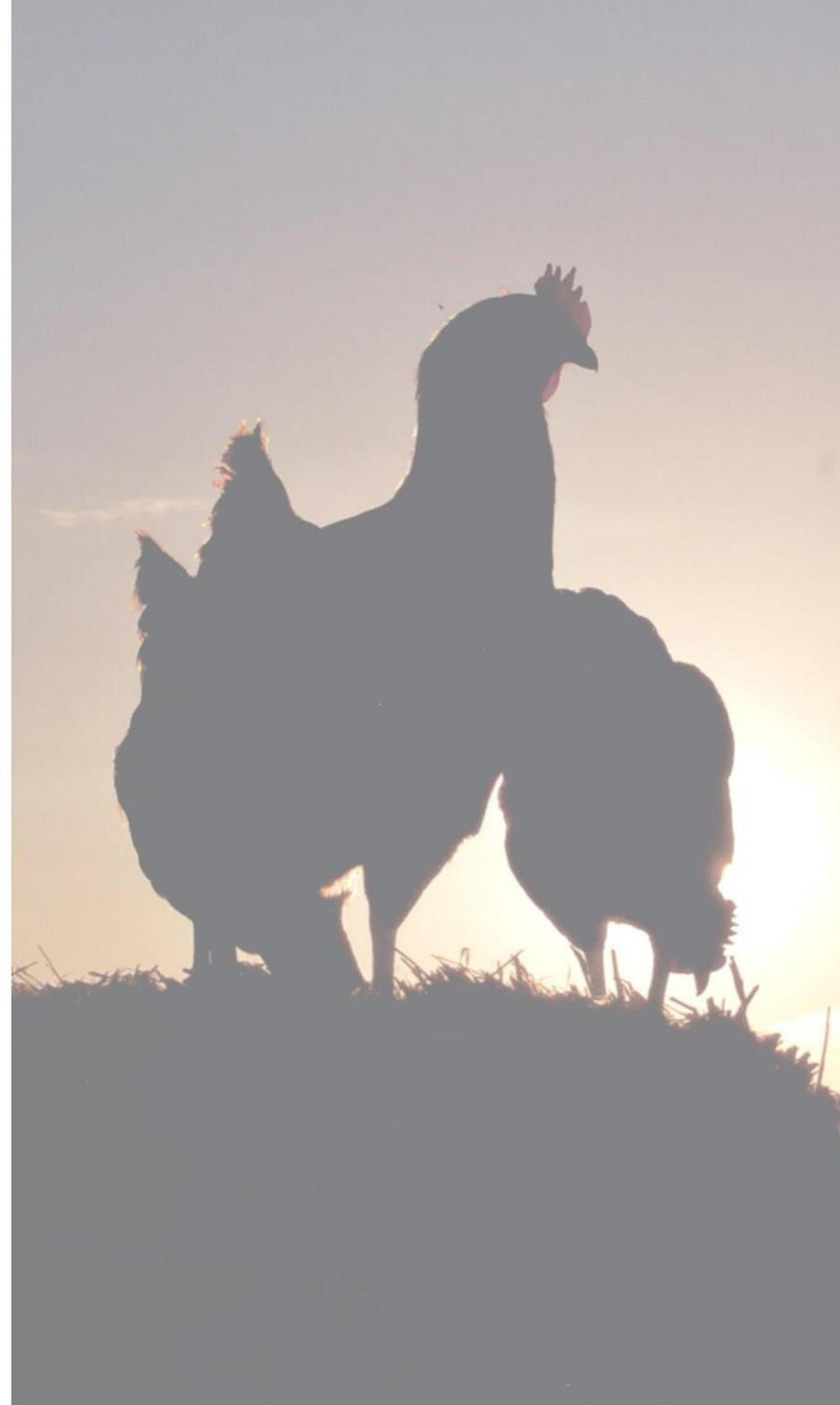
- Home Food Service Plans
- Bee and Bee Products Regulation
- Pest Control Districts for Grasshoppers
- Emerald Ash Borer Quarantine

## **1 new rule was adopted**

- Poultry Processing

## **In 2019 the Department conducted 6 Regulatory Efficiency Reviews**

2 of these rules were revised.



# 2020 Regulatory Agenda

In 2020 the Department plans to conduct 9 rulemaking hearings

- No repeals are planned
- No new rules are planned
- The Department has 6 regulatory efficiency reviews scheduled for 2020



# 2020 Legislative Agenda

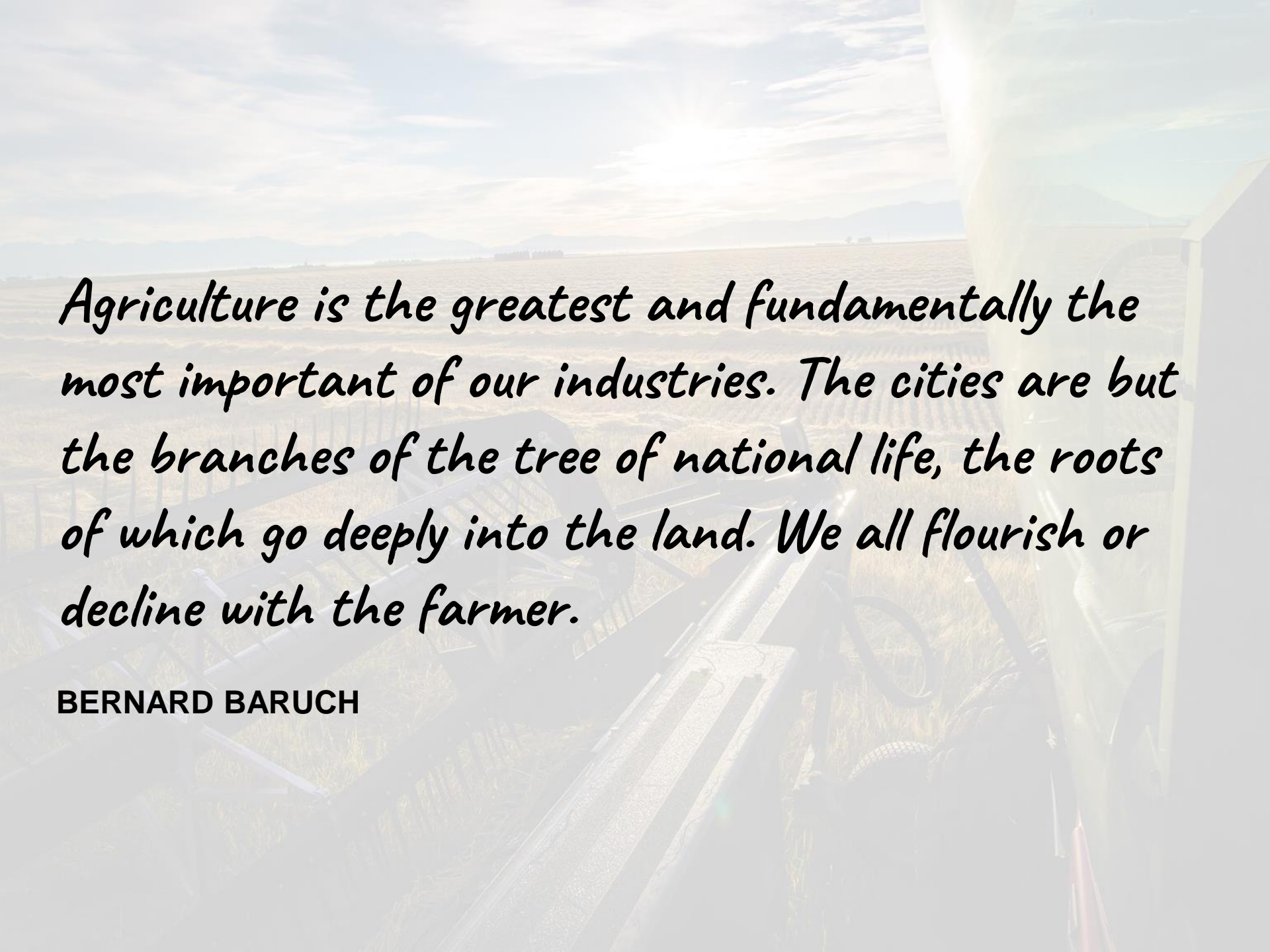
## Advancing Colorado's Renewable Energy and Energy Efficiency (ACRE3)

- Re-establish Tier II Severance Tax Trust Fund transfer of \$500,000 annually to fund energy efficiency and renewable energy grants to agricultural producers.

## Hemp Statute Alignment

- Align Colorado Statute with requirements in the USDA's Interim Final Rule implementing the Hemp provisions of the 2018 Farm Bill published on October 31, 2019.





*Agriculture is the greatest and fundamentally the most important of our industries. The cities are but the branches of the tree of national life, the roots of which go deeply into the land. We all flourish or decline with the farmer.*

**BERNARD BARUCH**



# For more information

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Or visit [www.colorado.gov/ag](http://www.colorado.gov/ag)

Almost all of the photos used in this presentation are award winners from the annual “**Colorado...it’s AgriCultural**” photography contest. They represent Colorado agriculture’s past, present and future. More information can be found at <https://www.colorado.gov/pacific/agmarkets/aginsights>



# Colorado Department of Agriculture (CDA) Budget and Legislative Requests

## Legislative Agenda

### **Reinstate ACRE3 Severance Tax Funding**

This item reinstates a \$500,000 transfer from the Severance Tax Trust Fund that expired in 2017 to pay for grants within the Advancing Colorado's Renewable Energy and Energy Efficiency (ACRE3) program. ACRE3 provides energy efficiency and renewable energy solutions at no cost to qualifying agricultural producers.

### **Hemp Alignment**

This request is to align Colorado Statute to comply with the USDA's Interim Final Rule implementing the Hemp provisions of the 2018 Farm Bill.

## Fiscal Year 2020-21 Budget Requests

### **R-1 Renewable Energy and Energy Efficiency (ACRE3) Funding**

**\$110,163 General Fund and 1.0 FTE**

This request includes funding to continue the Department's Advancing Colorado's Renewable Energy and Energy Efficiency (ACRE3) 1.0 FTE and legislation to reinstate a \$500,000 transfer from the Severance Tax Trust Fund to pay for grants within the program. ACRE3 provides energy efficiency and renewable energy solutions at no cost to qualifying agricultural producers. Reinstating tax revenue for the program would ensure the program can continue issuing grants to farmers and ranchers.

### **R-2 Organic Program Staff Expansion**

**\$168,566 General Fund and 2.0 FTE**

This request includes funding for 2.0 FTE to improve the function of, and expand, the Department's Organic Certification Program. This expansion would allow the Department the opportunity to better meet the demand of producers requesting certification from the Department.

### **R-3 Colorado Soil Health Program Funding**

**\$166,491 General Fund and 1.0 FTE**

This request includes 1.0 FTE and \$50,000 to create a new, voluntary, incentive-based Soil Health Program. This program would provide grant funding to encourage farmers and ranchers to adopt voluntary practices to improve the health of their soil, with goals to sequester carbon, reduce greenhouse gas emissions, conserve water and energy resources, increase agricultural productivity, and promote agriculture in Colorado.

### **R-4 Sustainable Marijuana Certification Funding**

**\$94,655 Marijuana Tax Cash Fund and 1.0 FTE**



This request includes 1.0 FTE to research and implement a marijuana certification program. This program would promote pesticide-free and/or organic-like cultivation and processing for marijuana, and would certify products that meet defined standards similar to other CDA certification programs. The certification could create new market opportunities for marijuana producers and give consumers the opportunity to make informed decisions in their consumption.

#### **R-5 Pet Animal Care Facilities Licensing Requirements**

**\$94,691 General Fund, \$77,050 PACFA Cash Fund and 1.0 FTE**

This request includes 1.0 FTE and systems funding to implement a qualifying education course and continued competency requirement to qualify for a Pet Animal Care Facilities Act (PACFA) license. Currently, PACFA licensees can obtain a license without demonstrating any knowledge of programmatic or statutory requirements. This FTE would administer a new examination that requires licensees to demonstrate competency before they can obtain and renew their licenses and would improve regulatory compliance and increase program performance by ensuring licensees are educated on pet care standards and regulations.

#### **R-6 Lab Equipment Maintenance Agreement Funding**

**\$48,000 Marijuana Tax Cash Fund**

This request is to provide ongoing maintenance of critical marijuana pesticide testing instrumentation. The warranty included in the purchase of the equipment expired in August 2019.

#### **R-7 Indirect Cost Recovery Adjustment**

**\$113,465 Cash Funds and \$113,465 Reappropriated Funds**

This request increases indirect cost recoveries from the Department's cash funds which would be utilized to pay for increases in personal services in the Commissioner's Office and increases in utilities costs across multiple locations.

#### **R-8 Unused Spending Authority Adjustment**

**(\$322,528) Cash Funds and (\$60,000) Reappropriated Funds**

This request removes spending authority from the Department's budget that has not been, and is not planned to be utilized. These reductions include (1) a reduction to Colorado Proud and publications spending authority, (2) a reduction to the state trade expansion funding, (3) a reduction to the agriculture statistics spending authority, (4) a reduction to the Agriculture Leadership Program spending authority, (5) a reduction to the personal services spending authority in the Commissioner's Office and (6) a reduction to a marijuana sampling program from the Colorado Department of Public Health and Environment.

#### **R-9 Implementing Budget Efficiencies**

**(\$89,300) General Fund and (\$124,843) Cash Funds**

This request creates three efficiencies in the Department's budget through one-time and ongoing reductions. These reductions include (1) the renegotiation of laboratory equipment maintenance contracts, (2) a one-time reduction to equipment leasing and a (3) one-time FTE funding reduction to the State Insectary. These adjustments help the Department support statewide priorities.



## **Fiscal Year 2019-20 Supplemental and Fiscal Year 2020-21 Budget Amendment Requests**

### **S-1, BA-1 Industrial Hemp Compliance Funding**

#### **\$263,574 Industrial Hemp Registration Program Cash Fund and Reappropriated Funds**

This request includes 0.2 FTE and resources for hemp testing and electronic tracking systems that would bring the Department into compliance with newly issued interim final rules from the United States Department of Agriculture (USDA). The new rules, issued October 31, 2019, require the Department to test 100% of the hemp crop cultivated in Colorado for Tetrahydrocannabinol (THC) content as well as to develop a more sophisticated electronic tracking system.

### **S-2, BA-2 Hemp Center of Excellence Funding**

#### **\$34,801 Industrial Hemp Registration Program Cash Fund**

This request includes resources to hire a contractor to establish a Center of Excellence for industrial hemp in Colorado. Creating a Center of Excellence would allow the State to remain at the forefront of the industrial hemp industry by providing and coordinating hemp research, education, and grant opportunities throughout the State.



# 2019

## Regulatory Agenda Report

January 1, 2019-December 31, 2019



**COLORADO**  
Department of Agriculture

## Overview

The Colorado Department of Agriculture submits the following 2019 Regulatory Agenda Report in fulfillment of the statutory requirements set forth in Colo. Rev. Stat. §2-7-203(4), detailing the results of the past year's rules review activity.

### Rulemaking included in 2019 Regulatory Agenda

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Stakeholders	Status	Comments
8 CCR 1202-12 "Rules Pertaining to the Administration and Enforcement of the Sale of Meat Act Method of Sale of Home Food Service"	Inspection and Consumer Services Division	Repeal	HB 18-1183	HB 18-1183 eliminated the regulation of home food service plans.	Home food service providers	Repealed February 13, 2019 - Effective March 30, 2019	
8 CCR 1202-16 "Rules Pertaining to Poultry Processing"	Inspection and Consumer Services Division	New Rule	HB 18-1235 & §35-33-104 (1), C.R.S.	Create a new rule establishing processing procedures for poultry producers. The parts that relate to processing and sale of poultry were removed from "Rules Pertaining to the Administration and Enforcement of the Custom Processing of Meat Animals Act" codified at 8 CCR 1202-13. This new rule provides the statutory changes enacted by HB 18-1235, which allows exempted poultry producers to sell to certain retail food establishments and creates the regulatory framework necessary to ensure poultry processed and sold to retail food establishments is processed in a safe and sanitary manner.	Licensed poultry producers	Adopted February 13, 2019 - Effective March 30, 2019	

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Stakeholders	Status	Comments
8 CCR 1203-13 “Quarantine for Late Blight”	Plant Industry Division	Revision	§§ 35-4-110 and 116, C.R.S.	Clarify terms; add definitions; clarify certificate inspection requirements; eliminate the exemption from re-inspection for incoming nuclear stock, but providing only for a limited re-inspection; clarify the requirements of the quarantine; consolidate provisions on documentation of different potatoes; and update references to the Department's location.	Seed potato importers	Adopted February 13, 2019 - Effective March 30, 2019	
8 CCR 1203-23 “Rules Pertaining to the Administration and Enforcement of the Industrial Hemp Regulatory Program Act”	Plant Industry Division	Revision	§§ 35-61-104 (5) and 35-61-105 (2), C.R.S.	Clarify terms; add a definition for “Planting”; clarify mapping requirements; update administration fees and due dates; update reporting requirements; provide the Department discretion in working with registrants through disciplinary actions; establish a system to better protect breeders; and add a requirement for commercial applications.	Industrial hemp growers	Adopted February 13, 2019 - Effective March 30, 2019	
8 CCR 1202-13 “Rules Pertaining to the Administration and Enforcement of the Custom Processing of Meat Animals Act”	Inspection and Consumer Services Division	Revision	§ 35-33-104 (1), C.R.S.	Remove the parts of the rule that relate to the processing and sale of poultry. New rules regarding poultry processing have been adopted at 8 CCR 1202-16 “Rules Pertaining to Poultry Processing”. Other changes include renumbering and updating language.	Licensed poultry producers	Adopted April 11, 2019 - Effective May 30, 2019	Postponed from schedule February adoption. Rule was on 2019 Regulatory Review schedule. The review was completed, no additional changes needed.

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Stakeholders	Status	Comments
8 CCR 1203-4 “Rules and Regulations Pertaining to the Administration and Enforcement of the Bee and Bee Products Act”	Plant Industry Division	Repeal	§ 35-25-105, C.R.S.	This rule is unnecessary because the bee keeping community does not want to be regulated or fund a regulatory program. The Department cannot mandate treatment or control of honeybee diseases and parasites without funding and mandatory registration of beekeepers.	Beekeepers	Adopted April 11, 2019 - Effective May 30, 2019	
8 CCR 1203-7 “Rules and Regulations Pertaining to the Procedure for Establishing Pest Control Districts and for the Control of Grasshoppers, Mormon Crickets, or Range Caterpillars”	Plant Industry Division	Repeal	§§ 35-5-103 and 123, C.R.S.	It was determined that this rule is unnecessary because the grasshopper populations have remained low; the Department cannot assist in a cost share of grasshopper control; USDA enters into cost share agreements with landowners when populations meet thresholds; and individual counties have the ability to form pest control districts when necessary.	Farmers and ranchers in pest control districts	Repealed April 11, 2019 - Effective May 30, 2019	
8 CCR 1203-9 “Administration and Enforcement of the Organic Certification Act”	Plant Industry Division	Revision	§ 35-11.5-104, C.R.S.	Update references, add a reference section, update the departments address, remove the cap on fees for providing certification services, add a fee schedule and remove the limit on reimbursement rates for mileage.	Organic producers	Adopted June 12, 2019 - Effective July 30, 2019	Moved up from scheduled September adoption.
8 CCR 1203-5 “Rules Pertaining to the Administration and Enforcement of the Colorado Nursery Act”	Plant Industry Division	Revision	§ 35-26-111, C.R.S.	Change the inspection fee hourly rate from \$30.00 per hour to \$45.00 per hour.	Greenhouse and nursery industry	Adopted June 12, 2019 - Effective July 30, 2019	



Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Stakeholders	Status	Comments
8 CCR 1203-6 "Rules and Regulations Pertaining to the Administration and Enforcement of the Colorado Seed Act"	Plant Industry Division	Revision	§ 35-27-114 (1)(b), C.R.S.	Increase the registration fee paid by retail seed dealers; increase the additional location fee paid by seed dealers and seed conditioners; update references; and update the Departments address.	Retailers of flower, vegetable and grass seeds	Adopted June 12, 2019 - Effective July 30, 2019	Rule was on the 2019 Regulatory Review Schedule. Review was completed, no additional changes needed.
8 CCR 1203-1 "Administration and Enforcement of the Pesticide Act"	Plant Industry Division	Revision	SB 19-186 & §§ 35-9-107(2) and 35-9-118(3)(a), C.R.S	Increase Pesticide Registration fees by \$40.00 to increase funding for the Departments state waters protection efforts as expanded by Senate Bill 19-186.	Pesticide applicators	Adopted September 17, 2019 - Effective October 30, 2019	Postponed from scheduled April adoption.
8 CCR 1202-15 "Rules Pertaining to the Administration and Enforcement of the Pet Animal Care and Facilities Act"	Inspection and Consumer Services Division	Revision	SB 19-158 & § 35-80-109(1) and (2), C.R.S	Effect the changes from the 2018 sunset report and senate bill 19-158, including: changes to pet animal sterilization requirements; the addition of disciplinary actions related to convictions for violations of local, state or federal laws involving animal theft, importation, capture, cruelty, neglect or abuse in any jurisdiction; and the extension of a two-year period of ineligibility to all parties with substantial control over the daily operations of an entity. Add new definitions, revise fees for all license categories, clarify and add requirements for small mammal and reptile enclosures, and update reporting and recordkeeping requirements.	Pet owners and pet animal care facilities	Adopted September 17, 2019 - Effective October 30, 2019	Postponed from scheduled June adoption.

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Stakeholders	Status	Comments
8 CCR 1203-24 “Quarantine Imposed Against all Life Stages of the Emerald Ash Borer ( <i>Agrilus Planipennis</i> , Fairmaire) and Hosts or Possible Carriers of Emerald Ash Borer Pursuant to the Colorado Pest Control Act”	Plant Industry Division	Repeal	§35-4-110 and 116, C.R.S.	The original EAB Quarantine has served its purpose and is no longer needed. Biological controls, pesticide use, and education regarding best management practices are more cost effective ways to manage EAB in the future.	Colorado residents, the nursery industry, fruit growers, and forestry	Scheduled to be Adopted November 15, 2019 and Effective October 30, 2019	
8 CCR 1203-22 “Rules and Regulations Pertaining to the Colorado Seed Potato Act”	Plant Industry Division	Revision	§35-27.3-108 (1)(b)	Changes to the rule were anticipated following a sunset review. After review of the report, no changes are need to the rule.	Seed potato growers.	No changes needed.	No rulemaking.

## Results of Mandatory Rules Review

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	Statutory or Other Basis	Did review result in revisions to regulation?	Purpose of Proposed Rule (if applicable)	Did review result in repeal of entire CCR volume?	Did the review result in repeal of any part of the regulation?	Adoption date (if applicable)	Comments
8 CCR 1202-10 “Rules Pertaining to the Administration and Enforcement of the Colorado Egg Law”	Inspection and Consumer Services Division	§35-21-106 (1), C.R.S.	No	N/A	No	No	N/A	
8 CCR 1202-11 “Administration and Enforcement of the Commodity Handler and Farm Products Acts, Sections 35-36-101 through 125 and 35-37-101 through 122, C.R.S.”	Inspection and Consumer Services Division	§§35-36-111 (1) and 35-37-120 (1), C.R.S.	No	N/A	No	No	N/A	
8 CCR 1203-14 “Rules Pertaining to the Pest Control Act Inspections and Federal Agreements”	Plant Industry Division	§35-4-116, C.R.S.	No	N/A	No	No	N/A	
8 CCR 1205-1 “Public Livestock Markets”	State Board of Brand Inspection Commissioners/ Brand Inspection Division	§35-55-106, C.R.S.	No	N/A	No	No	N/A	

## Unplanned Rulemaking

Rule Number (CCR) and Title (or Description)	Division/ Board/ Program	New rule, revision, or repeal?	Statutory or Other Basis	Purpose	Status	Comments
8 CCR 1203-21 "Quarantine Imposed Against All Life Stages of the Japanese Beetle (Popillia Japonica) and Hosts or Possible Carriers of Japanese Beetle Pursuant to the Colorado Pest Control Act"	Plant Industry Division	Revisions	§ 35-4-110, C.R.S.	Increase the inspection fee rate from \$34.00 per hour to \$45.00 per hour.	Adopted June 12, 2019 - Effective July 30, 2019	
8 CCR 1203-5 "Rules Pertaining to the Administration and Enforcement of the Colorado Nursery Act"	Plant Industry Division	Revisions	§ 35-26-111, C.R.S.	Increase the nursery registration fee from \$90.00 per year to \$170.00 per year.	Adopted September 17, 2019 - Effective October 30, 2019	
8 CCR 1203-2 "Rules and Regulations Pertaining to the Administration and Enforcement of the Pesticide Applicators' Act"	Plant Industry Division	Revisions	HB 19-1328 & § 35-10-118(2)(b), C.R.S.	Add definitions, and address new landlord and tenant bedbug reporting requirements created by House Bill 19-1328.	Scheduled to be adopted November 15, 2019 and Effective December 30, 2019	



# 2020

## Regulatory Agenda

January 1, 2020-December 31, 2020



**COLORADO**  
Department of Agriculture

## Overview

The Colorado Department of Agriculture submits the following 2020 Regulatory Agenda in fulfillment of the statutory requirements set forth in Colo. Rev. Stat. §2-7-203(4). Pursuant to state law, annually on November 1 executive-branch agencies must file a Departmental Regulatory Agenda (DRA) containing:

- A list of new rules or amendments that the department or its divisions expect to propose in the next calendar year;
- The statutory or other basis for adoption of the proposed rules;
- The purpose of the proposed rules;
- The contemplated schedule for adoption of the rules;
- An identification and listing of persons or parties that may be affected positively or negatively by the rules; and
- A list and brief summary of all permanent and temporary rules adopted since the previous DRA was filed.

The Regulatory Agenda also includes, pursuant to Colo. Rev. Stat. §24-4-103.3, rules to be reviewed as part of the Department’s “Regulatory Efficiencies Reviews” during 2020 (which are denoted as such in the “purpose” column). The DRA is to be filed with Legislative Council staff for distribution to committee(s) of reference, posted on the department’s web site, and submitted to the Secretary of State for publication in the Colorado Register. Each department must also present its DRA as part of its “SMART Act” hearing and presentation pursuant to Colo. Rev. Stat. §2-7-203(2)(a)(II).

The following constitutes the Department of Agriculture’s Regulatory Agenda for 2020 and is provided in accordance with Colo. Rev. Stat. §24-7-203(2)(a)(IV):

Anticipated Adoption Date	Rule Number	Rule Title	New rule, revision, or repeal?	Statutory or other basis for adoption or change to rule	Purpose of Proposed Rule	Stakeholders <i>Consider including high-level outreach bullets</i>	Part of Mandatory Rule Review
January 29, 2020	8 CCR 1208-1	“Colorado State Fair Authority Rules”	Revision	§35-65-401(9)(j), C.R.S.	Changes may be proposed as a result of the Department’s Regulatory Efficiency Review Process	Activity participants at the Colorado State Fairgrounds	2019 Review
February 12, 2020	8 CCR 1206-2	“Rules Pertaining to the Administration and Enforcement of the Colorado Noxious Weed Act”	Revision	§35-5.5-115, C.R.S.	Update noxious weed management plans; revise taxonomic names to reflect current consensus; and remove the Watch List from the rule to allow greater flexibility and timeliness in alerting stakeholders	Local governing entities, as well as landowners; peripherally state and federal land management agencies	

Anticipated Adoption Date	Rule Number	Rule Title	New rule, revision, or repeal?	Statutory or other basis for adoption or change to rule	Purpose of Proposed Rule	Stakeholders <i>Consider including high-level outreach bullets</i>	Part of Mandatory Rule Review
February 12, 2020	8 CCR 1203-6	“Administration and Enforcement of the Colorado Seed Act”	Revision	§35-27-114(1)(B), C.R.S.	Update the language pertaining to incorporation by reference wording	Seed sellers, labelers, farmers and consumers	
April 8, 2020	8 CCR 1201-18	“Bureau of Animal Protection Rules”	Revision	§35-42-106, C.R.S.	Clarify the Bureau of Animal Protection agent’s authorities	BAP Agents, P.O.S.T. Board and livestock producers	
April 8, 2020	8 CCR 1203-23	“Rules Pertaining to the Administration and Enforcement of the Industrial Hemp Regulatory Program Act”	Revision	§35-61-104, C.R.S.	The purpose of the rule change will be to become compliant with USDA guidelines and align rules with stakeholder input gained at Colorado Hemp Advancement Management Plan	Industrial hemp registrants	
June 10, 2020	8 CCR 1203-6	“Rules and Regulations Pertaining to the Administration and Enforcement of the Colorado Seed Act”	Revision	§35-27-111, C.R.S.	Rule changes will be to align with statute changes per Sunset review.	Seed sellers, labelers, farmers and consumers	
June 10, 2020	8 CCR 1203-9	“Administration and Enforcement of the Organic Certification Act”	Revision	§35-11.5-104	Fee adjustment	Organic producers certifying with CDA	
September 9, 2020	8 CCR 1202-11	“Administration and Enforcement of the Commodity Handler and Farm Products Acts, Sections 35-36-101 through 125 and 35-37-101 through 122, C.R.S.”	Revision	§§ 12-16-104(4), 12-16-110.5(1)(e), 12-16-117(1), 12-16-206(2), 12-16-208(1)(f), 12-16-210(1), and 12-16-211(4), C.R.S.	Make adjustment based on rule review and changes from the 2019 Sunset Review	Farm Products and Commodity Handler Licensees	2019 Review
September 9, 2020	8 CCR 1202-15	“Rules and Regulations Pertaining to the Administration and Enforcement of the Pet Animal Care and Facilities Act”	Revision	§35-80-109(1), (2), and (4), C.R.S.	Adjust rule to allow for new education requirements	PACFA Licensees	

Anticipated Adoption Date	Rule Number	Rule Title	New rule, revision, or repeal?	Statutory or other basis for adoption or change to rule	Purpose of Proposed Rule	Stakeholders <i>Consider including high-level outreach bullets</i>	Part of Mandatory Rule Review
	8 CCR 1202-5	"Storage and Handling of Anhydrous Ammonia"		§35-13-103, C.R.S.	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Fertilizer dealers and agricultural producers who utilize anhydrous ammonia	
	8 CCR 1203-1	"Administration and Enforcement of the Pesticide Act"		Title 35, Article 9, C.R.S.	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Pesticide manufacturers, retailers, users and the general public	
	8 CCR 1203-2	"Rules and Regulations Pertaining to the Administration and Enforcement of the Pesticide Applicators Act"		Title 35, Article 10, C.R.S.	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Pesticide users commercial, limited commercial, public and private, pesticide sensitive individuals, and the general public	
	8 CCR 1205-6	"State Board of Stock Inspection Fees"		Title 35 Articles 41, 43, 53, 53.5, 55 and Title 35, Article 20, C.R.S.	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Livestock producers	
	8 CCR 1207-1	"Rules and Regulations Pertaining to the Administration and Enforcement of § 35-45-109, C.R.S."		§35-45-109, C.R.S.	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Livestock producers and livestock lessees or permittees in grazing districts	
	8 CCR 1207-2	"Rules Pertaining to Administrative Hearings Conducted within the Colorado Department of Agriculture and to Petitions for Declaratory Orders"		§§35-1-104(1)(c), 35-1-106(1)(h) and 35-41.5-112 & 113	Changes may be proposed as a result of the Department's Regulatory Efficiency Review Process	Any person who may have the need for an administrative hearing related to certain licensure, registration, or other actions of the Department	



